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Kopsch, H.

Gold monometallism

Shanghai

1895

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Gold monometallism; the upas tree of Great Britain: further notes illustrative of the blighting effect on British industries: with a hypothetical example of the cost of monometallism; by H. Kopsch. Shanghai, Printed at the "North-China Herald" Office, 1895.  
21 p. 23cm.

At head of title: The Eastern Bimetallic League.

VOLUME OF PAMPHLETS

NNC

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**TECHNICAL MICROFORM DATA**

FILM SIZE: 35mm

REDUCTION RATIO: 11:1

IMAGE PLACEMENT: IA (11A) IB IIB

DATE FILMED: 3/3/98

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Gold monometallism \_\_\_\_\_

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# TERN BIMETALLIC LEAGUE.

(Established 1894.)

MONOMETALLISM; THE UPAS TREE OF GREAT BRITAIN:  
FURTHER NOTES ILLUSTRATIVE OF THE BLIGHTING EFFECT  
ON BRITISH INDUSTRIES: WITH A HYPOTHETICAL EXAMPLE  
OF THE COST OF MONOMETALLISM;

BY

H. KOPSCH, F.R.G.S.,

*Member of the Eastern Bimetallic League.*

SHANGHAI

THE "NORTH-CHINA HERALD" OFFICE.

1895.

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EASTERN BIMETALLIC LEAGUE. 3

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Inv. Feb 9.09

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# THE EASTERN BIMETALLIC LEAGUE.

1895.

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ON BRITISH INDUSTRIES: WITH A HYPOTHETICAL EXAMPLE  
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In an address on "Bimetallism and the Industrial Classes," delivered at the Athenæum Hall, Melbourne, on the 5th February, 1895, by Mr. Moreton Frewen, he observed that the silver question is less an economic than a race question. It is to be regretted that the wage-earning classes of Great Britain, Europe and the United States do not appreciate this view of the subject, as the thoughtless demonetization of silver has brought about a one-sided contest for industrial supremacy between the "yellow man with the white money" and the white man with the yellow money, as Mr. Stead so aptly puts it in his book "The Splendid Paupers;" for it is a contest in which the white man is destined to be hopelessly defeated so long as our legislators see fit to provide their armies of skilled labourers with a weapon—gold—possessing only a quarter of the power of the same implement when used by the Asiatic. In fact, it is tantamount to equipping for combat two battalions of equally skilled men, but providing one with a single round of ball cartridge and the other with four rounds a head, seeing that in the West a gold dollar or 5s. piece will only employ one skilled artisan for a day, whereas in the East it will provide four and five men.

Long before the fall in exchange with Asia and other silver-using countries, it was apparent to the working men of the States, Australia and Canada that on their own soil it was hopeless to endeavour to compete with immigrant Eastern labour, even when the dollar was worth 4s. ; and the rupee 2s. consequently, the governments of those countries restricted or prohibited the admission of Chinese into their fields of labour. Yet with this evidence of the impossibility of competing on equal terms with

Asiatic workmen in our own countries, our statesmen and financial ministers imagine that Western artisans and mechanics can still hold their own against Indian, Chinese and Japanese cheap home labour, now rendered still cheaper by low exchange *plus* labour-saving machinery. But if the press, statesmen, bankers, and the intelligent trading classes cannot be brought to comprehend the danger besetting the industries of the countries of the West, it seems scarcely likely that the poor miner and wage-earner will ever be induced to believe that his impoverishment, lack or loss of employment is due to the black and yellow man dwelling 10,000 miles away; people of whom he may have heard, yet never seen, but who are being protected and urged on by his own rulers to pauperise and starve him out. Well may the British and Western labourer ask himself the question: Are his "pastors and masters" dealing with him fairly and squarely? To him it must appear as if he were being tricked in a barefaced way when he discovers that he is paid in a coin bearing a double value; that is, a gold sovereign worth only 20s. in England, but equal to 40s. in the hands of his black or yellow brother workman. The best way to enlighten the Western working man on the complex currency question is to present him with a table of scale of wages paid in white money (silver) to the yellow man, and let him compare these rates with the minimum he himself receives.

TABLE OF WAGES.  
*Daily Wages in Japan.*

	Average cents Silver.	Pence 2s. = \$1.
Carpenters .....	32 ...	7.68
Plasterers.....	32 ...	7.68
Stonemasons .....	36 ...	8.64
Sawyers .....	31 ...	7.44
Roofers, Shingles .....	30 ...	7.20
" Tiles.....	24 ...	5.76
Mat Makers .....	30 ...	7.20
Screen Makers .....	30 ...	7.20
Paper Hangers or Pastors .....	32 ...	7.68
Joiners.....	30 ...	7.20

	Average cents Silver.	Pence 2s. = \$1.
Tailors, native clothes .....	28 ...	6.72
" foreign clothes .....	49 ...	11.76
Dyers .....	25 ...	6.00
Cotton Bowers .....	24 ...	5.76
Blacksmiths.....	31 ...	7.44
Potters.....	30 ...	7.20
Lacquer Workers .....	30 ...	7.20
Oil Pressers.....	26 ...	6.24
Tobacco Cutters.....	27 ...	6.48
Printers .....	27 ...	6.48
Ship Carpenters .....	34 ...	8.10
Compositors .....	29 ...	6.90
Workers in distilleries.....	30 ...	7.20
" soy (sauce) factories .....	24 ...	5.76
Agricultural Labourers, men .....	19 ...	4.56
" " women .....	12 ...	2.88
Silkworm attendants, men .....	22 ...	5.28
" " women.....	15 ...	3.60
Silk Reelers.....	17 ...	3.84
Tea Workers .....	31 ...	7.44
Day Labourers .....	22 ...	5.28

*Average Monthly Wages (without Food).*

	Silver \$.	s. d.
Weavers, men .....	4.83 ...	9 8
" women .....	3.30 ...	6 7
Confectioners .....	5.74 ...	11 5
Agriculturists, men .....	2.31 ...	4 7
" women .....	1.28 ...	2 7
Men servants .....	2.12 ...	4 3
Women " .....	1.16 ...	2 3

When exchange was 4s. = \$1 the sterling equivalent of Asiatic wages was of course double the figures given in the second column.

These figures are the average of rates obtained in different districts. Of labourers whose work is only periodical, such as of those employed in tea, silk and saké (native wine) factories, the rates represent the average for the season.



If the wages in dollars are divided by 2, they will represent the approximate value in U.S. gold.

Let him carefully peruse the foregoing table, issued by the Statistical Bureau of Japan, showing the average daily wages paid in 1892 to various Japanese handicraftsmen. The labour market of Japan is taken for an example, as the details are already published, and because Japanese workmen are unquestionably the most skilled artisans in Asia. Moreover, rates of wages paid to Japanese apply to Chinese, while natives of India work for even less. But when scanning this table it should not be forgotten that prior to 1873 the silver dollar or white money, in which the yellow men are paid, exchanged for more than 4s. English money, although now it is only equal to 2s. Still, to the Asiatic, though his wages only represent *half* the sterling or gold equivalent in 1873, his earnings in silver are worth just as much to him as when the dollar exchanged for 4s. He gets *no more silver* for his labours, but can sell his wares in Europe, say, at 2s. and prosper, while his British competitor must charge 4s. for his labour; thus, protected by exchange, the Asiatic successfully cuts out his white brother workman in every branch of industry. This table of wages will afford the European workman serious matter for reflection. That the Chinese and other Orientals can live on half the wages needed by white men for mere subsistence is no fault of our legislation; but the Government is solely to blame for demonetizing silver and thus reducing the gold equivalent of Eastern wages to a degree which renders it simply impossible for Western artisans to compete in the same market. Strange to say, such papers as *The Times* and *Economist*, representing free-trade principles, seem too obtuse to apprehend the danger to British industries, while protectionist countries, such as the United States, foresee the peril, as proclaimed by *The Press* of New York, in its issue of the 17th December last, in an article headed "China and Protection," from which the following is an extract:—"It may be added that Chinese development will make it all the more necessary for the United States to adhere rigidly to the policy of protection; for it would be quite useless to exclude Chinese labourers if we should admit without protective duties the products of Chinese cheap

labour. With Asia coming into line as a rival of Europe in the manufacturing field, protection becomes a question of self-preservation for the American working man."

The *San Francisco Weekly Chronicle* of 18th April, 1895, comprehends and explains the situation in an article entitled "Menaced by Silver-using Countries."

In this paper it is not intended to again refer to the threatened extinction of British textile industries consequent upon the depreciation of silver. The fatal results have been demonstrated and discussed in forcible language in other pamphlets issued by the Eastern Bimetallic League. It will suffice to say, as the *Manchester Guardian* of 2nd January last attests, that while Lancashire Spinning Mills are running at a loss, the prospectuses of the new China Mills reckon on 30% dividends.

Instead of reverting to the competition between East and West in textiles, it may be as interesting to note the effect of the appreciation of gold on the domestic expenditure of foreign residents in Far Cathay. This might be summed up in one sentence: every article imported from gold standard countries has risen 50% in price; but illustrations are more convincing than general statement.

Though expatriated in the East and gaining a livelihood in silver currency, the young Britisher still delights in getting supplies from home when possible. His fondness for field-sports and beer, the beverage of his youth, remains undiminished; he prefers his malt liquor to other kinds. But a paternal government has now cut off this cheap home association from his sons in exile; so most of the toilers for the aggrandizement of "Little Britain," except the opulent, are reduced to taking local or Japanese brewed beer. What an excellent picture for *Punch*! John Bull hugging his useless bags of gold, turning his back on silver. His stalwart sons toiling in the East thirsting for their native beer, but unable to buy it at J. B.'s extortionate price. Young Japan stepping forward, tankard in hand, to supply Britishers' wants abroad! Yet the hopbine twineth not in Japan or Far Cathay, and "Malt" is not found in the native dictionary. In a circular issued by a Shanghai wine merchant, the following

are the prices of both kinds of beer, per 4-dozen case:—Bass's ale, \$17=34s.; Japanese beer, \$10=20s.; local beer, \$8=16s. It may be said, what trifles! Admitted: but they indicate the downward course of British export trade. In 1885 the foreign residents in China, excluding Hongkong, numbered 6,698; in 1894 they aggregated 9,350. For 1885 the London Board of Trade Returns give the export to China, excluding Hongkong, of beer and ale at 1,765 barrels, and 1,230 in 1893; of course, the cheaper Japanese and Eastern brewed beers supply this deficiency, because at present exchange British beer is simply "not in it." Note also the falling off in the demand for wines from 34,000 gallons in 1889 to 25,000 gallons in 1893.

In a paper published last September by the League the writer hazarded the opinion that the ship-building industry of England is doomed to suffer from the appreciation of gold as acutely as the textile manufactories. Since expressing this view, no less authorities than the Chairman of the P. & O. Company and a director of the China Mutual Steam Navigation Co. have endorsed this opinion, as shown in the following extract from the last report of the latter shipping company, published in the *London and China Express* of 8th March. Mr. Maitland stated:—"Sir Thomas Sutherland, at the meeting of the P. and O. Company, remarked that perhaps some of the younger shareholders present might live to see their steamers built on the banks of the Yangtze or in the harbours of Japan. This was received with some merriment, and a great many people looked upon the remark as a joke; but, gentlemen, it is no joke. After inquiries and calculations, I am prepared to assert that the large ocean-going steamers might be built for less money and equally efficiently in China or Japan at the present time. Certainly the material, such as steel plates, etc., would have to be shipped out, and perhaps one or two superintendents would have to go out to look after the construction of the steamers, but there is an abundance of well-skilled labour to be had out there. I will give you a rough illustration of what I mean. Supposing the cost of a steamer to be £50,000, a moderate estimate for labour would be £12,000. Take the wages for labour on the Clyde at 30s. a week, which is a low estimate, as

many workmen receive 7s. 6d. a day, and then take wages in the East at \$5 a week, which is high, being equal to 10s. a week, we find that in this item of £12,000, there would be a saving of two-thirds, or an economy of £8,000 in labour alone. Against this certainly there would be the shipping of material, such as steel plates, which would cost say £2,400, and then there would be the payment of two or three skilled men specially sent out to superintend, which I will put down at £1,000 or £1,500, making together under £4,000, so that there would still be a saving of £4,000 in favour of building in the East. I will give you another case. We are thinking of sending out or building a tug steamer to assist boats over the Woosung Bar, and it would no doubt be profitable. We have got estimates for building in this country and for building in the East, and I may tell you that we can build considerably cheaper in the East, including boilers, engines, and everything. These, gentlemen, are facts, and not theories. But this is not the time or place to go into this important question, but it certainly does require the serious consideration of every thoughtful business man. It would appear as if we were on the eve of something being done for the silver or currency question, which, although I would not say it is at the bottom or the sole cause of our agricultural and industrial troubles, at any rate I am quite certain that it is the chief one, and unless something is very promptly done, my impression is that the gigantic unemployed labour question will increase tremendously, while those who ought to be helping us out of the difficulty are looking on and seeing one large industry after another leaving the country."

These remarks are not the utterances of essay writers, but of practical men of business. Let *The Times* and *Economist* gainsay such facts!

The shipbuilding yards in South China turned out and engined ten small steamers during the year 1894.

Gold monometallism is baneful enough to drive the flag off the sea, and to compass the enslavement of the British seamen by the Asiatic. In a pamphlet issued last year the writer stated that Chinese cheap silver paid labour had driven every European sailor and fireman from the decks and stokeholds of coasting

steamers. The appreciation of gold enables the Oriental to seek a wider sphere, and to try his hand at manning our ocean steamers. A recent issue of the *North-China Daily News* states:—"The China Mutual S. N. Co. are trying an experiment with Chinese sailors for their vessels, and are sending on to London by the *Pingsuey* and *Oanfa* twenty-four deck hands who will man these two vessels on their return voyage to China."

How it would gladden the hearts of the widows of our shipwrecked seamen to find a berth for their "fatherless bairns" as steward or cabin-boy on board some of the great Eastern liners. But the scarcity of gold compels the ship owner to take the daily bread of the fatherless and widow, and give it to Asiatics.

"The *cheapness* and excellence of the Chinese servants *paid in silver* who act as saloon and bedroom stewards is a point which invariably draws favourable comment. They make perfect servants, and, in their clean, fresh-looking uniform robes, with their native picturesqueness, they form a marked contrast to what one generally finds at sea."—(Extract from hand-book of C. P. R. Co.'s Royal Mail Steamship Line. The italics are inserted.)

[In connection with ships and shipping it is currently reported on the best authority, though we cannot trace the source beyond "the Club," and the report is given with all reserve, that, influenced by the forecast of events portrayed by Sir T. Sutherland at the last meeting of the P. & O. Company, a syndicate of influential capitalists (silver) in China and Japan have submitted a tender to the Postmaster-General for the next contract mail service between the United Kingdom and the East. We are not in possession of the details of this original scheme, but give the substance of it as told to us. The war being at an end, Japan, for the present, has no further use for her flotilla of swift cruisers, largely augmented by the surrender of the Chinese squadron and the purchase of 77 steam-transports. But Japan being desirous to keep her ships and seamen in training at small cost, the aforesaid syndicate of enterprising merchants are negotiating with the Admiralty in Tokyo to charter the very fastest vessels of this fleet with the object of undertaking the mail service, under agreement with the British Government (the United States and Europe

to be approached later on), between the United Kingdom, Asia and Australia. Having ascertained that it costs the British exchequer the preposterous (from a silver standpoint) annual sum of £434,000 (see Post Office Estimates) for the Contract Packet Service to the East, they have tendered to undertake the service, now performed at the above charge, by the P. & O. Steam Navigation Co. for precisely half that sum! Incredible as it may appear, this proposal is perfectly practicable, as will be apparent to all, except monometallists, even without the explanation subjoined:

1°.—The syndicate operating in a silver standard country have no principal charges whatever payable in gold. Freight from Europe may be paid in appreciated gold, or silver; if the latter currency, no Western company can then compete.

2°.—The purchasing power in the East of the silver dollar, though only worth 2s., being just as great as in 1872, will consequently provide the same quantity of labour and materials as when it exchanged for 4s.

Therefore, estimating the cost of the subsidized packet service at..... £434,000  
@ exch. (£1 = \$10.00) = \$4,340,000  
Syndicate's tender \$2,170,000 @ 2s. = £217,000  
or annual saving to British Exchequer of £217,000!

That their tender will be accepted there can be no doubt, for after this exposure of the monometallic system of plundering the exchequer, the tax-payers will insist upon it. Indeed, it is reported that the Chancellor of the Exchequer is so enraptured at this audacious, but unique conception, nay, miraculous system of financing, whereby an appalling budget deficit is, as if by magic, transformed into a surplus, that a Baronetcy will be offered to the President of the syndicate. The smile on the careworn visage of the Chancellor on receiving this tender surpassed that of the immortalised Ah Sin.

Of course, the splendid fleet of the P. & O. Steam Navigation Company will be laid up, the shareholders ruined by gold monometallism, and the flag that flaunted the motto *Quis separabit* will be for ever furled, while that of the Rising Sun will flutter in its place. The first contract-packet despatched

with mails to London will be the 20-knot cruiser *Tien Kwang*, i.e., "Light from Asia." Thousands of Britain's manly tars and other employees will be thrown out of work and reduced to penury, but that is a mere detail which the State officials will not perceive or consider; indeed, the sole aim and object of gold monometallism appears to be the speedy ruin of British commerce and industries. "But England will always produce *something*," as Sir H. M. Meysey-Thompson says, is the conviction of the opponents of bimetalism, even when manufacturers and producers have disappeared. Perhaps this "*something*" refers to machinery or surgical instruments. Let us hope so: but according to the latest accounts the new cotton mills are getting their ginning machinery made locally; and it is well known that silver-standard Japan can offer gold-using Great Britain a splendid case of keen bladed post-mortem instruments for one seventh of the price, at present exchange, of the same implements made in Sheffield.

Encouraged by the high approval and acceptance by the Post Office officials of their first suggestion, the syndicate, implored by the tax-burdened residents of the Eastern silver-using British Colonies, submitted a tentative scheme to the British War Office for relieving the colonial exchequer and effecting an incalculable saving in the military expenditure of the United Kingdom. The substance of the proposition is sketched hereunder. The island of Formosa\* being ceded to Japan

\* According to a letter signed "Junius," which went the round of the Chinese Press, it is reported that rather than see Formosa pass to Japan, the "Beautiful Isle," worth a dozen islands like Cyprus, was offered to Great Britain, as being the weakest Power in the Pacific, for the nominal sum of \$100,000,000, or at exchange 2s. per dollar, equal ten million pounds. But the vision of the Treasury officials being jaundiced from a prolonged study of Chrysology, they confused the sign (\$) for dollars with (£) that for pounds, and refused the offer; thus, the island was lost to the British, and the nation deprived of a useful object lesson illustrative of the omnipotent power of gold, with silver quoted at 30d. per oz., to get a good bargain. On the devoted islanders learning that our Government would not accept the offer, they petitioned to be brought under British rule and protection on the same conditions as Cyprus is administered, but when the Minister of Foreign Affairs read the appeal he merely remarked: "the Madagascans might object." Shades of Disraeli! Properly administered and developed, the surplus revenue of this Gem of the Pacific and Granary of China would have made good the budget deficit of the Indian Government. As it is, the cession of Formosa will probably entail a loss to the Indian opium revenue of over Rs. 3,200,000, derived from duty, on say, 4,930 chests consumed annually in that island, if prohibited opium is excluded from Formosa as it is throughout Japan.

becomes next door neighbour to Hongkong, whose local government, like that of the Straits, has been terribly exercised and distressed to meet the demands, literally "sweated" (Hongkong and the Straits are in the tropics), out of the depleted Treasury on account of extra military contribution necessitated by the fall in exchange. Touched by the representations of the syndicate, which explained this "squeezing" process—somewhat akin to footbinding,—to which the unfortunate inhabitants had to submit at the hands of a cruel monometallic-hearted stepmother; and animated by deep sympathy with the critical financial condition of this sterile, plague-stricken islet, now overshadowed by the lofty and majestic Mount Sylvia—the Fujiyama of Formosa—the War Office in Tokyo generously consented to relieve the strain put upon the colonial finances, consequent upon the appreciation of gold, and agreed to detach, on loan, a regiment of the crack *Jin-ko* (i.e., silver standard) division, now in garrison in South Formosa, only sixteen hours steam from Hongkong. The modest charge for these troops, as compared with the cost of keeping up the monometallic legion from home, is summarized hereunder:—

*Syndicate Estimate.*

1,000 Jin-ko men @ \$2.50  
a man per month = \$2,500,  
or \$30,000 a year @ 25. =  
£3,000.

*British Estimate.*

1,000 men of the monometallic division @ 1s. per diem  
= £50 per day, or £18,550  
a year @ Exch. \$10 = £1 =  
\$185,000!

Saving, if paid by the Hongkong Treasury \$155,000, or £15,500 if defrayed by the Imperial Exchequer. Of course this immense economy is explained by the fact that the *Jinkos* are maintained in so-called depreciated silver, and the men of the monometallic legion in appreciated gold. The Horse Guards, never very intelligent about finance questions, at last perceive that cheap silver may become a dangerous foe, seeing that in the East six men can be provided at the cost of equipping one paid in gold. *Jinkos*, afloat or ashore, small and cheap as they are, may not be despised. The shares of the syndicate have risen to a fabulous premium, for the

Chancellors of European Exchequers are fast awakening to the fact that with silver at the present price, the operations of the syndicate are capable of limitless expansion, and that the yellow man threatens to monopolize the industries of the universe.]

To turn suddenly from steamers and armies to the attractions of a lady's drawing-room seems a rapid transition, but it will serve to show the widespread and all pervading baneful influence of the appreciation of gold.

Plato says that music affects considerably the constitution of the State: Confucius was of the same opinion. He said, "Music should not be neglected for a moment by anyone," and the great old Sage instances the husband playing and wife singing as typical of conjugal felicity. Dame Europa inclined to concur; but that sordid Old Lady of Threadneedle Street, squatting on her bags of unproductive gold, was heard to mutter "conjugal felicity! fiddlesticks! what could that old pagan know about it!" So she determines that Britain's fair daughters exiled in heathen lands shall be robbed of the delights of music—"that craving of a loving soul,"—at least, it shall not be supplied by a "Broadwood" or other English instrument, for the appreciation of gold places such pleasures beyond the means of residents in the Far East. However, *Ah Sin* with his keen commercial instinct, and known to the world for his smile that is "child-like and bland," comes to the rescue with his cheap skilled labour paid for in the "white dross," sniffed at by Mrs. Britannia, and offers to supply sweet harmony to the hearts and hearths of Britons exiled in wintry North-China, despite the old Dame's faith in the omnipotence of gold and disbelief in silver, as will be seen from the following extract taken from the *North-China Herald* of 26th April, 1895, headed:—

A NEW SHANGHAI INDUSTRY.

"Though low exchange is a sad infliction to residents in China generally, it encourages manufactures on the spot for which we used to rely upon Europe, as the bi-metallists point out so strongly; and one instance of this can be found in Messrs. S. Moutrie & Co.'s establishment. Formerly the firm used to import all their pianos from Europe, but owing to the great fall in exchange and the

cheapness of labour in the East, the firm seriously considered the possibility of making the piano for the most part in Shanghai, importing for the purpose certain essential parts which can only be satisfactorily made at home, and Mr. Sydenham Moutrie's long experience in Broadwood's establishment in London and his lengthened residence in the East eminently fitted him to carry this project to fulfilment. First of all Mr. Moutrie set about procuring the proper wood for the purpose, and this he found could be obtained from Japan, of a quality that was in every way suitable. Of course the greatest care is taken that the wood is thoroughly seasoned, which is done on the Shanghai premises. Mr. Moutrie was fortunate in obtaining a Japan wood that makes an excellent sounding board, which is a very important matter. The wrest plank, into which the keys for tuning are driven, and also the iron frame, metal tuning plate, action, keys and strings are imported from Europe, the freight being comparatively much less than if they formed part of an entire instrument; and this enables the firm to complete in their Shanghai workroom an instrument which is in every way as good as one that could be imported. One of these can now be seen in the Nanking Road. It is a cottage piano in solid hardwood case, ebonised, with an iron frame, metal tuning plates, check action, celluloid keys, being 3ft. 9½in. in height, 4ft. 6in. in width, and 1ft. 11in. in depth. In addition to the iron frame, this piano has a very solid wooden frame, with seven thick wooden pillars running to the top of the instrument, while the wrest plank—which bears the tension of the strings, estimated in this piano to be about 14 tons—is supported by the iron frame, and bolted right through the wooden pillars at the top, thus effectually preventing the wrest plank from moving down or curling over, which frequently happens in pianos of this description when proper precautionary measures are not taken.

"The continued fall in exchange, and the high rate of freight that has to be paid on an instrument when shipped from Europe in a complete condition, rendered it impossible for Messrs S. Moutrie & Co. to offer a home-made piano at a lower cost than £40, and if even a discount of ten per cent. was allowed,

the net cost of £36 represented, at the rate of exchange recently touched, say 2s. 8½d., Tls. 265, and yet a similar and equally good piano which is turned out in Shanghai now can be sold for Tls. 200, or, with allowance of cash discount, Tls. 180 (£24 7s. 6d.) This fact is very significant, and it is probable that before long we shall not only have our pianos manufactured in Shanghai, but many other necessary articles which were formerly obtained direct from Europe."

What next? Probably the sweet strains in Belgravia of a fine-toned China-made piano costing under £25! Exported by Moutrie & Co., Shanghai.

Amongst other necessary articles formerly imported from England, but now made locally, carriages may be mentioned. The Shanghai Municipal Report for 1894 shows that 5,522 carriage licenses (excluding private equipages) were issued, or an average of 460 per month. This affords another striking instance of the appreciation of gold, forcing a people, who never saw a vehicle other than a wheelbarrow, to import materials and make carriages almost as smart in appearance as a Long Acre turn-out, and at less than half the cost. At the St. George's fête, 260 carriages, chiefly broughams, entered the gates, of which probably not one-tenth were imported vehicles. The young Englishman loves to harness a speedy Mongolian pony to a stylish trap, but Dame Europa, egged on by that blind old crone in Threadneedle Street, declares he shall not have one from the old country, even if the carriage-builders are ruined; for has she not reduced the price of English oats to 13s. a quarter, when years ago they cost over £1? What matters if men are unemployed? Horses will have cheap fodder.

*Apræpos* of wood for pianos and carriages, it is singular that Canada—the land of forests—cannot supply disafforested China with timber at less cost than home-grown lumber. As one rolls along west of Calgary in the C. P. R. cars, the traveller is as amazed at the abundance of dead and live timber bordering the rails as surprised at the absence of wood along the 1,000 miles or more of the Yangtze River navigable to steamers. When exchange was high, a promising timber trade with Canada was growing

up, but the enhanced price of gold has nearly annihilated it. According to the Returns of the Department of Agriculture, Ottawa, the exports of wood to China in 1877-79 were valued at \$59,400; in 1893, \$9,900. Yet building of all kinds has advanced in the East by leaps and bounds. Despite the scarcity of forests and the absence of such a thing as a steam saw mill, Chinese poles are floated down the mighty Yangtze fully 1,300 miles from Western China in rafts longer, wider, and as deep as the largest Atlantic "greyhound." In fact they are drifting villages, worked by crews mustering from 120 to 200 men, who often take a year to make the voyage from the forests to the sea. Yet they can lay down these poles here cheaper than the Canadian transports his spars, though cut by small Niagaras of water power and hauled or imported by steam. What a triumph for silver! Poor indeed have been the results, so far as improving Canada's timber trade in the East, by extending the great C. P. R. to the Pacific coast. Behold C. P. R. \$100 shares at \$38; a huge outlet for timber, wood and charcoal in China, whose millions burn reeds, grass, and cotton stalks for fuel; forests washed by the Pacific; timber rotting on both sides of the line, but made unmarketable in this vast woodless Empire, because Lombard Street and finance ministers are hypnotised and rendered impotent by devotion to their golden goddess. But for the blight of gold monometallism the demand for wood would be as inexhaustible as the supply. Well indeed may the Celestial query the vaunted advantages of transport by rail and steamer when he finds that he can work cheaper by hand, and raft his timber over 1,000 miles by manual labour at less cost than the Canadian by rail and ocean transport. But the yellow man, though an idolater, knows nothing of the curse of gold fetishism. He says, "Take my gold, which is a mere commodity, like pigs' bristles. We sold you £2,044,000 in gold bullion last year. Add it to your hoard, and much good may it do you. We, with our silver at present quotations, can beat you out of the field of competition in all your own special industries."

Why Canada and the United States cannot export lumber to the great markets of the Far East is explained in the annexed

extract from a letter by Mr. W. S. Wetmore, the president of this League, addressed to the *San Francisco Chronicle*, and reprinted in the *North-China Daily News* of 25th February last:—

"Twenty years ago the trade was in a flourishing condition, with every prospect of an immense development, as the lumber was extensively used for building purposes. Now there is comparatively little done in it, and the few vessels that arrive in the course of a year with cargoes bring sufficient for supplying the requirements of the docks and ship-repairing yards, to which the consumption has recently been almost confined at the present high cost.

"I hand you a memorandum showing the comparative cost of Oregon pine laid down here in 1880 and in 1894, the latter based on prices quoted in September last by one of the principal mills in Portland for a cargo of standard assortment, which are about the same as they were in 1880:—

COMPARATIVE COST OF 1,000,000 FEET OF LUMBER LAID  
DOWN IN SHANGHAI

1880.

Cost f. o. b., g. \$12,200 @ 83½ .....	Tls. 10,187
Freight at £4 @ ex. 5s. 1¾d. ....	15,578
Marine insurance, g. \$300 @ 83½ .....	250
Import duty @ 7 mace. ....	777
Commission 3 per cent on sales @ Tls. 29. ....	870
Measuring .....	150

C. l. d. Shanghai .....Tls. 27,812

1894.

Cost f. o. b. g. \$12,200 @ 145. ....	Tls. 17,690
Freight @ £2 5s. 4d. ex. 2s. 10d. ....	15,883
Marine insurance, g. \$300 @ 155 .....	485
Import duty @ 7 mace. ....	777
Commission 3 per cent. on sales @ Tls. 29. ....	870
Measuring .....	150

C. l. d. Shanghai .....Tls. 35,855

"From this you will observe: First, that whereas the cost of 1,000,000 feet on board ship in 1880 and this year is the same, viz., \$12,200 gold currency, the cost in Shanghai currency in the former year was only Tls. 10,187, against Tls. 17,690 in 1894, that is 7½ taels per mil, more on the latter than on the former state; second, that whereas the rate of freight in 1880 was £4 per 1,000 feet, it is now only £2 5s., and this a maximum; and yet the freight in taels is actually higher at the present time than it was then, so that, although the ship-owner gets £1 15s. less than before, this does not cheapen the cost of the lumber to the consumer.

"While, however, on the above quotations the lumber costs 35.85 taels per mil, laid down, as against 27.81 taels in 1880, the sale is greatly restricted, and, in fact, the Chinese will not buy in any considerable quantity at over 28 to 29 taels per mil—which was about the quotation current in 1880,—because Japanese and native boards and lumber, which are suitable for most of their requirements, can be had so much cheaper.

"In order to furnish the lumber here at prices which the Chinese can afford to pay, the mill-owner has (as, I presume, is sometimes done) to make a concession of about \$3.50 in his price, and the ship-owner to accept the reduced rate of 40 shillings. For whose benefit? Not the Chinaman's, for he has to pay as much for the lumber as formerly, while the mill-owner gets only three-fourths of his old price and the ship-owner half his former freight, the differences being a sacrifice to the Moloch of gold monometallism.

"If exchange were the same as in 1880, with prices and freights at the present figures on the Pacific Coast, lumber could be laid down here at 20 taels or less, which would doubtless lead to a very large increase in the business, particularly if China is to be opened up to industrial enterprises on a large scale, which is generally expected as the outcome of the existing war with Japan."

To bimetallists it is amusing to read of monometallic colonies cherishing the hope of finding a market for their surplus products in China. We hear of Canada indulging in the belief of a possible large trade with this Empire in matches, and of young Australia

counting upon the East taking off her superabundant stocks of wool and other products. As if such were practicable with silver demonetized! The reverse of this prospect of things is far more probable. Canada and Australia are more likely to be flooded with cheap oriental-made lucifers; and China is more capable of destroying than developing Australia's wool trade. Before the fall in exchange the Board of Trade Returns record a considerable export of matches to China. In 1887 the trade was assessed at £21,000; in 1893, *nil*. For 1886 the total export from the United Kingdom was valued at £251,000; in 1893, at £157,000. That the extinction of the Eastern demand has been accelerated, if not caused, by the *upas* of monometallism, there can be little doubt. This recalls to mind the outcry raised by the poverty-stricken match-makers of London, who forced the Chancellor of the Exchequer, Mr. Lowe, to abandon his proposed tax on matches. If those unfortunate people could be made to understand and believe that the then threatened tax was a trifling burden as compared with the cruel and deadly impost, called monometallism, inflicted on their labour, they and the 1,750,000 starving unemployed would never cease clamouring for a repeal of the currency laws or hurling anathemas at their legislators—men who in specious language denounce and pass enactments against the "sweater," yet they are the Government sweaters, for they knowingly and wittingly support a currency system tenfold harder and harsher on the white wage-earning classes than any sweating system invented by a Hebrew. The operatives can strike against the individual "sweater," but the Government sweaters, who pay a bounty to the yellow and black man to starve and ruin England's industrial classes, work as invisibly and insidiously as the deadly exhalations of the *upas* tree, to which baneful and life-destroying plant the influence of gold monometallism on British industries may be compared. Enlightened Europe and the United States recognise the iniquity of supporting national or Government sweating laws. They now view the practice with abhorrence and wish to abandon it by favouring bimetalism—the sole remedy—but England, the liberator and apostle of manumission, persists in supporting her sweating system and degrading

the working classes to the level of serfs—serfs, because the Government, by refusing to restore silver to its old value, has reduced the *sterling* rate of the black and yellow man's wages (without hurting him in the least) to the figures shown in the table, and thus compel British labourers to starve or toil for the same pay as the Hindoos, in order to be able to compete with the products of Asiatic looms and factories.

On the same page of the Board of Trade Returns we notice a remarkable decrease in another once flourishing British industry, killed by monometallism; we refer to the umbrella trade. The Chinese dandy who swaggers up the Nanking-road is as vain of his light and slender London-made umbrella as his compeer the Piccadilly swell. The former used to indent on London for supplies worth £17,900 in 1885, and in 1889, when exchange was favourable, he ordered a consignment worth £37,500; but when, as was the case last year, the native gilded youth is asked to pay \$7.50 for a 15s. umbrella, for which he used to pay \$3.50, because, forsooth, gold has risen, he politely exclaims "*pu yao*"—I don't want it,—and transfers his custom to a shop where he can get a neat article of local or Japanese make for less than \$3. Consequently, the shipment of British umbrellas to China dwindled to £4,300 in value. *Ab uno disce omnes!* Meanwhile Japan, uninfluenced by exchange, supplied this market with 362,000 umbrellas during 1894.

As to China or Japan becoming a market for wool, as the colonies anticipate, unless Australia votes for bimetalism and so underbids the Celestial, the prospect remains remote indeed. China is a wool-producing country, and, stimulated by low exchange, became an exporter in 1894 to the extent of 270,000 cwt. The sheep pastures in roadless Mongolia are distant from the coast, but, as was remarked in connexion with timber-rafting on the Yangtze, the cost of transport even by camels, which bring the wool to Tientsin, the port of shipment, is a very small item when reduced to a gold equivalent at present exchange. But now that the Trans-Siberian Railway, under the new treaty with Japan, by which Manchuria reverts to China, will run through the fertile pastures of silver-standard Mongolia, wool, both Siberian and Mongolian, will



doubtless, ere many years, be shipped from Vladivostock at prices defying competition. Australia's staple trade must then be prepared to face a blow as crushing as that hurled at Lancashire by Ethiopians, the "dwarfs," and Chang the giant's countrymen. According to the *Japan Weekly Mail* of 4th May, it is stated that during the war the little Empire of Japan acquired 77 steamers, aggregating 123,111 tons burden. This tonnage will seek employment. The ships will doubtless be navigated by crews paid in silver at a quarter of the wages, payable in gold, required by occidental seamen, and be supplied with native fuel, costing less than half the price of N. S. W. coal. Young Australia can calculate at what rate Asiatic wool can be placed on the London and United States market, and decide for himself whether it is best to remonetize silver, that is, advocate bimetallism, or continue to favour and protect the yellow man with his white money by adhering to a single gold standard. The comparative price of Asiatic and Australian coal leads one to the subject of metals. An extract from the *China Express* of 29th March, 1895, reveals the deplorable condition of the Cornish tin trade induced by the blight of the appreciation of gold.

"A useful object lesson in the competition between gold West and silver East has just been afforded by the meetings of the two principal Cornish tin mines. The Dolcoath showed a loss of £5,101 on twelve months' working, while the Carn Brea had to confess to an expenditure of £5,535 in excess of income. In both of these cases—they may be accepted as fair samples of the industry throughout Cornwall—the sole cause of financial disaster is the abnormal cheapness of black tin consequent upon importations from the Straits, which pay the Chinese well. A good many of the smaller mines in Cornwall are already shut down, and both from Camborne and Redruth the miners are emigrating to South Africa."

Rich deposits of tin, located "South of the Clouds" (Yunnan) are now profitably mined in that far distant Chinese province. Last year 47,000 cwt. were shipped to Hongkong. Luckily for the British tin industry, the mines in this province are distant from the sea up-stream some thirty-five days travelling (twenty-five

by river and ten by land) via Haiphong, French Tonkin, and the Red River; downstream the transport from the mines can probably be made in twenty days. Mining is conducted in the most primitive method, but if the new treaty with Japan sanctions mining concessions as well as other industries, France and Japan will be sure to develop that source of wealth and improve the means of transport. At present exchange this new supply will mean still lower gold prices of British tin.

River steamers are now constructed in silver-using French Tonkin to ascend the Red River which rises close to the mining districts. Ocean steamers will ere long no doubt be constructed in the same place, and be supplied with fuel from the coal mines in that vicinity. Stimulated by gold monometallism, we may therefore expect to see tin produced in territory situated at an altitude of 2,000 feet "South of the Clouds," conveyed in ships built in Tonkin, to Land's End at less cost than that mined in the Duchy of Cornwall! Sir T. Sutherland's predictions will then be realised. Yet we are a great commercial nation!

Before concluding these notes, it will not be out of place to offer a few remarks on the price of the material on which they are printed. The manufacture of printing paper has become a prominent industry in Japan, and, at current rates of exchange, is driving the imported article out of the field. Few foreign newspapers in the Orient now use European paper. Indian and Japanese mills have supplanted the Western fabricant. A leading Eastern journal which was provided with paper made by the same mill supplying *The Times* is constrained, owing to the appreciation of gold, to use paper, of precisely the same quality, made in Japan, thereby effecting a saving in price of 32%. Turning to the Board of Trade Returns, we find in 1889 the total exports of British paper was 928,000 cwt., and in 1893 only 852,000 cwt.—the decline in the value of shipments aggregating £269,000 within five years!

When the British paper industry is ruined and *The Times* is printed on paper made in India or Japan, then perhaps that great organ will wish it had taken a saner view of bimetallism.

SHANGHAI, 13th June, 1895.



**END OF  
TITLE**